Question 202 given in the Rajya Sabha on 10th September, 1991 and state:

(a) what steps have been taken to put cost audit on Pesticide, Insecticide and Weedicide Industries;

(b) whether it is a fact that profitability in this industry is the highest;

(c) whether it is also a fact that these items are extensively used by the farmers, fruit growers, household and others;

(d) whether there is a large scale evasion of taxes and overinvoicing of imports in this industry;

(e) whether his Ministry has come across any such instances; and

(f) if so, the details thereof and what effective steps are being proposed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PALIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF LAW JUSTICE AND COMPANY AFFAIRS (SHRI RANGARAJAN KUMARA-MANGALAM): (a) The government while taking a decision to cover a particular industry under Cost Audit has to take into account certain factors such as whether the industry is of basic importance engaged in the production of important industrial raw materials or inputs, whether it is producing products of mass consumption etc. Prescribing of Cost Audit in respect of industries engaged in manufacturing or processing activities is a continuous exercise and steps are being taken for covering important industries and products under Cost Audit. Government have already initiated steps to study the structure of these industries before taking any view on prescribing Cost Accounting (Record) Rules for these industries.

(d) Details in this regard are not available.

(c) Yes, Sir.

(d) to (f) Since the industry in question is not covered under Cost Accounting (Record) Rules at present, instances of the type referred to have not come to the notice of the Ministry.

Enforcement of the Hire Purchase Act, 1972

2753. SHRI SURESH PACHOURI: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that the Hire Purchase Act, 1972 has not been notified to come into force by the Government so far;

(b) if so, what are the reasons therefor;

(c) whether it is also a fact that the notification for commencing the said Act were issued twice in the past but were rescinded soon by Government;

(d) if so, what are the details thereof and also the reasons therefor; and

(e) what remedial action Government propose to take to prevent the executive from not carrying out the wishes of Parliament by not enforcing the Acts of Parliament?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI RANGARAJAN KUMARA-MANGALAM): (a) Yes, Sir.

(b) to (e) A notification to bring the Hire-Purchase Act into force on and from 1st June, 1973 was issued on the 30th April, 1973. Later on, another notification was issued on 31st May, 1973 rescinding the notification dated 30th April, 1973 and proposing to bring the Act into force on 1st September, 1973. Since several representations were received from the public against the bringing of the Act into force it was not possible to enforce the Act, and accordingly, a notification rescinding the notification of 31st May, 1973 was issued on 30th August, 1973.

The Banking Laws Committee, in its

report on Personal Property Security Law, proposed certain far-reaching amendments it the Act. Some representations were also received which urged that either fresh legislation incorporating the various recommendations of the above Committee should be brought forward, or, alternatively, the Act may be enforced only after making certain amendments. The Chairman of the Joint Committee of Parliament on the Hire-Purchase Bill, 1968 had also recommended similarly. The Reserve Bank of India had also suggested that pending examination of the entire report of the Committee, the Hire-Purchase Act should not be enforced. Subsequently, however, the Reserve Bank did not agree with the recommendations of the Committee and as such, the whole question was required to be carefully examined again with a view to finalising the amendments to be made in the Act before deciding to bring the Act into force.

In view of the above position, the Act could not be brought into force without making necessary amendments therein. Otherwise the Executive has utmost respect for the Parliament and carries out the wishes of parliament very carefully. After due consideration an amending Bill had been introduced in 1989 which is still pending in the Rajya Sabha. Further the Hire-Purchase system has travelled over the years from automobiles to very many consumer goods which are within the reach of the middle and lower-middle classes. It may be necessary to go further deep into the matter and as such Government has already started a dialogue with various agencies for further improvements in the Act.

Review of electoral performance by Election Commission

2754. SHRI SURESH KALMADI: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) when the review of the electoral performance of political parties was last made by the Election Commission; and

(b) whether there is any likelihood for conducting the review in terms of valid votes polled at the May-June, 1991 General Election?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI RANGARAJAN KUMARAMANGALAM): (a) The last review of the electoral performance of various political parties on the basis of the results of the General Elections held in 1980 for the House of the People and in 1979 and 1980 for the Legislative Assembly of certain States and Union territories was made by the Election Commission and a notification to give effect to the result of the review was issued on 8th April, 1982.

(b) Yes, Sir.

Working of MRTP Act

2755. SHRI H. HANUMANTHAPPA: SHRIMATI BIJOYA CHAKRAVARTY:

Will the MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) what is the number of cases of excess profits which have been investigated during the last three years, year-wise under Cost Accounting Record Rules and the MRTP Act;

(b) who made the reference in each of these cases and on what basis;

(c) in how many cases Government succeded in reducing the profits;

(d) whether it is a fact that provisions of MRTP Act have not been effectively used during the last one decade to protect consumer interests;

(e) if so, the reasons therefor; and

(f) what steps have been taken by Government to make it more effective?